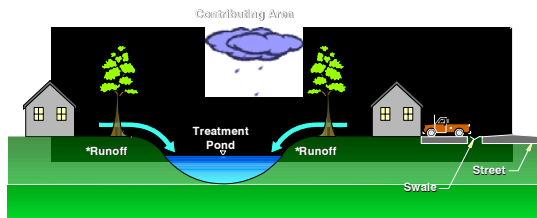


WHAT WILL COMMERCIAL PROPERTIES PAY?

Commercial customers are defined by the enterprise fund as developed commercial, industrial, governmental, institutional, and agricultural properties. Their storm water fee is based on the amount of impervious area located within each parcel. Commercial rates will be based on the number of Single Family Units (SFUs) calculated by dividing the customer's total impervious area by 3,147 square feet. This value represents one (1)



A credit adjustment policy will provide incentives for businesses to install storm water management devices.

SFU and has been statistically determined to represent the average impervious area for all residential customers in the City. The monthly rate would then be the number of SFUs x \$2.18 (the base rate for 1 SFU).

INVOLVEMENT OF THE COMMUNITY

Working closely with stakeholders through a Storm Water Advisory Committee (SWAC), the City has developed and implemented an equitable storm water user charge that will fund the resolution of flooding problems,

construct a preventative O&M program, and achieve regulatory Phase 1 compliance. The SWAC included representatives from local industry, the chamber of commerce, educational institutions, and other representative citizens.



KEYS TO SUCCESS

- ◆ Through the SWAC, the citizens and community representatives shared their opinions and concerns.
- ◆ A storm water enterprise fund is the most fair and equitable funding source, because it utilizes impervious area as the basis for a user charge. Each customer will pay based on his or her contribution to the storm water system.
- ◆ The fee determination relied on the most recent digital data and aerial images from the City of Memphis.
- ◆ The current MLG&W billing system will be used to collect this new fee.

For additional information contact the:

City of Memphis Storm Water Program
2303 N. 2nd Street
Memphis, TN 38127
Phone: 901- 576 - 4349



Storm Water Enterprise Fund Information Brochure



MEMPHIS ADDRESSES ITS STORM WATER NEEDS

PROBLEM IDENTIFICATION

Aging infrastructure, flooding problems, and increased regulatory requirements have prompted the City to develop a Storm Water Enterprise to fund maintenance, system improvements, and capital projects within the storm water system. This Enterprise Fund will enable the City to reduce problems associated with flooding and water quality through maintenance and capital improvement projects. Simultaneously, the Enterprise will assist the City in working to remain regulatory compliant while reducing the strain placed on the City's General Fund by storm water maintenance and projects.

WHY IS STORM WATER SUCH A PROBLEM?

As rain falls on agricultural and undeveloped areas, it is either absorbed into the ground or it slowly runs off into streams, rivers, and other bodies of water. However, rooftops and paved areas prevent water from being absorbed and result in a faster rate of runoff. These factors lead to localized

flooding problems, and other water quality and quantity issues.



WHY IS THE QUALITY ISSUE BEING ADDRESSED AT THIS TIME?

In 1990, the United States Environmental Protection Agency issued new storm water regulations that require communities the size of Memphis to control water pollution caused by storm water runoff. The City is required to implement municipal storm water programs that will reduce storm water pollutant discharges to the "maximum extent practicable".

WHAT IS A STORM WATER ENTERPRISE FUND?

The Storm Water Enterprise Fund will be similar to the electric, water, and sewer utilities currently in place within the City. The Enterprise Fund is the agency within the City government responsible for providing the service of an expanded, improved, and better maintained storm water

system. This enterprise fund charges fees for the use of the system to contributors of runoff. The fee will be charged on your MLG&W bill for all developed property as a storm water fee starting May 2006.

HOW WILL THE AVERAGE RESIDENCE PAY?

All single family residential customers are placed in one of three customer classes and pay a fixed rate per residential unit. In addition, all apartments, townhomes, or condominiums, etc. are charged a monthly residential rate, based upon their specific category.

| Single Family | Monthly Rate |
|---------------------------------|------------------------|
| Impervious Area of the Property | (May 2006 - June 2007) |
| <1,841 sq-ft | 58% (\$ 1.26) |
| 1,842-4,794sq-ft | 100% (\$ 2.18) |
| >4,795 sq-ft | 152% (\$ 3.31) |

| Non-single Family Residential Property Classification | Monthly Rate (May 2006 - June 2007) |
|---|-------------------------------------|
| Multifamily (excluding high rise multifamily, condominiums, and mobile homes) | 41% (\$ 0.89) |
| Town Home / Condominium | 57% (\$ 1.24) |
| Mobile Home | 77% (\$ 1.68) |
| High Rising Multi-family Apartment | 13% (\$ 0.28) |

